



# **A STUDY ON MANAGING BUDGETING IN THE IMMIGRATION**

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## **ABSTRACT**

This study is about managing budget in the Immigration Department of Malaysia. Immigration Department of Malaysia is one of the government departments under the Ministry of Home Affairs (MOHA). Budgeting is an essential element of the financial planning, control, and evaluation processes of governments. Every governmental unit should prepare a comprehensive budget covering all governmental, proprietary, and fiduciary funds for each annual (or, in some states, biennial) fiscal period. Issue arises when the Director of Finance Division of Immigration Department of Malaysia, Puan Salma binti Sulaiman declared that budget applied for the year 2010 was decreased by the Ministry of Finance. Thus, this department should take the effective actions in managing their budget. Some objectives are derived from this study such as to know how to minimize budget expenditures, to know the types of expenditures incurred and to identify any actions to be taken by this department in managing their budget. In this study also used primary and secondary data. By analyzing company practices, information in terms of types of budgeting system, the departmental process budget, the types of policies and the types of expenditures implemented or practiced in this department can be used in completing this study.

## **CHAPTER 1**

### **INTRODUCTION**

#### **1.1 INTRODUCTION OF BUDGETING**

Government budget can be viewed as a legal document that is often passed by the legislature, and approved by the chief executive-or president. For example, only certain types of revenue may be imposed and collected. Property tax is frequently the basis for municipal and county revenues, while sales tax and/or income tax are the basis for state revenues, and income tax and corporate tax are the basis for national revenues.

The budget is basically a plan of what government intends to do in a budget year and how it proposes to raise and use the resources for this purpose. Normally, corresponding figures of previous years' budgets are adduced to provide a basis of comparison. The preparation of the budget becomes the occasion for decisions about the composition and level of government output and about the relative importance of the goals of stabilization, distribution and growth.

The two basic elements of any budget are the revenues and expenses. In the case of the government, revenues are derived primarily from taxes. Government expenses include spending on current goods and services, which economists call government consumption; government investment expenditures such as infrastructure investment or research expenditure; and transfer payments like unemployment or retirement benefits.